of schemes/programme to facilitate the growth and development of small scale industries all over the country.

(b) The Central Government is aware of the increasing competition faced by the small scale industries following the liberalization and globalization of the economy. With a view to enhancing the competitiveness of the small scale and enabling them to face the competition, the Central Government has put in place several measures. These include schemes/ programmes of assistance for technology upgradation of individual units as well as their groups/clusters, making bank credit of upto Rs. 5 lakh available without collateral (Rs. 25 lakh for units with good track record), 75 per cent credit guarantee for loans up to Rs. 25 lakh, creating awareness among these industries regarding export-related issues and sensitizing them to the emerging challenges of trade liberalization, reimbursement of the cost of obtaining ISO 900/14001 certification upto Rs. 75,000/-, reimbursement of registration fee upto Rs. 15,000 for adopting bar coding of products, participation in international trade fairs, buyer-seller meets and exhibitions, etc.

The Government has also put in place appropriate trade-defence mechanisms, such as import licensing, safeguards against surge in imports and anti-dumping measures, to provide reasonable protection to domestic industries, including small scale industries.

(c) For promotion and development of micro and small enterprises including the micro and small scale industries and to enhance their competitiveness, the Central Government has introduced the Small and Medium Enterprises Development Bill, 2005 in the Lok Sabha during the Budget Session 2005. Besides, in pursuance of the announcement made in the National Common Minimum Programme, a promotional package for micro and small enterprises is under consideration of the Government by which a number of support measures are contemplated to be provide to this sector to further improve its performance and make it competitive.

Package for SSI sector

260 DR K. MALAISAMY: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the packages envisaged for small scale industires sector under common minimum programme and the achievements made by U.P.A. Government;

(b) what are the threats and effects on this sector in the wake of globalization and liberalization;

(c) whether the increase in plan outlay was only marginal comparing the vital role played by this sector in terms of employments, economy industrial output, export etc.; and

(d) whether there is no corresponding importance and priority given considering its vital role?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) In keeping with the declaration made in the National Common Minimum Programme (NCMP) of the UPA Government, a promotional packages for Micro and small enterprises, including small scale industries (SSI), is under formulation. The achievements of the UPA Government relating to this sector are as follows:—

(i) With a view to promoting and developing micro, small and medium enterprises and enhancing their competitiveness, the Small and Medium Enterprises Development Bill, 2005 has already been introduced in the Lok Sabha.

(ii) Recognising the fact that delivery of timely and adequate credit is crucial for the development of small enterprises (including SSI), a policy package for stepping up credit to small and medium enterprises was announced in the Parliament in August 2005. Among other things, this package envisages doubling the outstanding credit to the small and medium enterprises in a period of next 5 years.

(iii) With a view to assisting small enterprises to upgrade their technology and, thus, enhance their competitiveness, the Credit Linked Capital Subsidy Scheme (CLCSS) has been liberalised by raising the loan limit from Rs. 40 lakh to Rs. 1 crore and the subsidy from 12% to 15%.

(iv) In order to address the overall concerns of millions of enterprises in the unorganized sector and in keeping with the declaration in the NCMP, a National Commission on Enterprises in the Unorganised Sector has been set up and provision for taking up pilot projects for Growth Poles has been made in the budget of 2005-06.

(v) With a view to enhancing the competitiveness of manufacturing

industries, especially the small and medium enterprises, provision has been made in the budget 2005-06 for formulation of a Manufacturing Competitiveness Programme which would, mainly benefit the small scale industries.

(b) The challenges to this sector in the wake of globalisation and liberalization has been mainly in the area of marketing of products. This sector now has to face increasing competition in both domestic and international markets. These challenges have also opened up opportunities for this sector to tap larger markets in the country and abroad.

(c) The increase in the plan outlay for this Ministry as well as for the Ministry of Agro and Rural Industries is considered adequate, in keeping with the role of this sector in the national economy.

(d) The Central Government recognizes the crucial role played by this sector in contributing substantially to the national economy and in generating employment opportunities and, therefore, lays corresponding emphasis on the promotion and development of this sector through a number of schemes and programmes, even though the primary responsibility for promotion and development of SSI lies with the State Governments.

SSIs in Andhra Pradesh

261. SHRI GIREESH KUMAR SANGHI: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the number of SSIs set up in Andhra Pradesh with the help of the Ministry in last two years; and

(b) the efforts taken by Ministry to improve the infrastructure for the development of SSIs?

THE MINISTER OF SMALL SCALE INDUSTRIES (SHRI MAHAVIR PRASAD): (a) Small Scale Industries (SSIs) are set up by private entrepreneurs themselves. The Central Government does not provide any assistance for this purpose. However, as reported by the Government of Andhra Pradesh, the number of small scale industries registered in the last two (2003-04 and 2004-05) in that State is 3,205.

(b) In order to improve the infrastructure for the development of SSIs in rural / backward areas of Andhra Pradesh, the Central Government has so